

AMENDED IN SENATE MAY 9, 2006  
AMENDED IN SENATE APRIL 24, 2006

**SENATE BILL**

**No. 1600**

**Introduced by Senator Kuehl**  
**(Coauthor: Senator Alquist)**

February 24, 2006

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An act to add Sections 8203.1, 8203.2, and 8273 to, and to add Article 16.25 (commencing with Section 8375) and Article 19.5 (commencing with Section 8430) to Chapter 2 of Part 6 of, the Education Code, relating to child care.

LEGISLATIVE COUNSEL'S DIGEST

SB 1600, as amended, Kuehl. Child care.

Existing law authorizes the Superintendent of Public Instruction to develop standards for the implementation of quality child care programs and to contract for the provision of child care and development services.

~~This bill would require the Child Development Division of the State Department of Education, on or before July 1, 2008, to provide to the Superintendent of Public Instruction a baseline assessment of the supply and demand for subsidized and unsubsidized child care, as specified. The bill would require the Superintendent, on or before March 1, 2009, and every 2 years thereafter, to make recommendations to the Legislature based on that assessment, as specified.~~

This bill would require the ~~division~~ *Child Development Division of the State Department of Education* to convene a task force, consisting of specified members, to ~~develop and~~ submit to the Legislature, on or before January 1, 2008, ~~a Child Care and Development Workforce~~

~~Development Plan including findings and recommendations on specified issues regarding the workforce development of family child care providers, as specified. The bill would require the department, on or before January 1, 2012, and under the direction of the Superintendent, to implement that plan and submit progress reports to the Legislature, as specified. The bill would require the Superintendent to develop a procedure, based on the recommendations of the task force, for assessing the impact of the plan, and update the plan every five years. The bill would permit the Superintendent to direct the task force to also review and report on additional considerations regarding current workforce development activities as they relate to child care center owners, employees, and volunteers. This bill also would require the Superintendent to develop, based on the recommendations of the task force, to provide the Superintendent and the Legislature with an assessment of the feasibility, design, and cost to develop a registry of child care and development workers and family child care providers, to be the repository of information about staff stability—and, professional development, and substitute caregivers, and—to that may be used in the determination of qualifications for enhanced reimbursement if so required family child care providers eligible for representation, if necessary.~~

*The bill would require the task force, or a subcommittee of the task force, to provide to the Superintendent, on or before July 1, 2008, an assessment of, and recommendations for, improved data collection on the supply of and demand for subsidized and unsubsidized child care. The bill would require the department to regularly review its data collection methodologies, as specified. The bill would require the Superintendent and the State Department of Social Services, with the assistance of counties and alternative payment programs, to collect data regarding license-exempt family child care homes, as specified, and make that data available to the Legislature, and upon request, to participating members of the task force and provider organizations. The bill would require the Superintendent, on or before January 1, 2009, to provide to the Legislature an assessment of, and recommendations for, improved data collection on the supply and demand for subsidized and unsubsidized child care.*

Existing law requires the Superintendent to establish and assign reimbursement rates for child care providers, as specified, and to adjust the rates each year by certain reimbursement factors.

This bill would require, commencing with July 1, 2007, the ~~cost-of-living~~ *cost-of-living* adjustment (COLA) for the standard reimbursement rate for child care centers to be equal to the COLA used for revenue limits for kindergarten and grades 1 to 12, inclusive, school districts. The bill also would increase the standard reimbursement rate from July 1, 2007, to July 1, 2011, by  $\frac{1}{5}$  of the difference between the amount that would have been paid to the providers from 1986 to 2006, inclusive, had the COLA used been equal to the COLA used for revenue limits for kindergarten and grades 1 to 12, inclusive, school districts and the amount that actually was paid to child care providers from 1986 to 2006, inclusive.

This bill would establish the Partners in Quality Program to govern the establishment of reimbursements for publicly subsidized child care provided as specified. The bill would require the Superintendent to work with a specified task force to ~~develop criteria regarding program quality, to establish a method for assessing whether the criteria are met, to make recommendations to the Legislature for factor increases in reimbursement rates, and to hold at least one public hearing as part of that work~~ *review state regulations to identify those regulations that add quality components to programs beyond the basic health and safety requirements of the regulations for child care licensing, to develop a checklist of quality indicators for child care centers and family child care homes interested in participating in the program, and to recommend a cost-effective process for the Superintendent to use to determine if child care centers and family child care homes interested in participating in the program meet the requirements.* ~~The bill would require the Superintendent to issue contracts to implement the program, as specified. The bill would utilize local Partners in Quality Collaborations to identify the support and assistance participating providers need to meet the quality criteria and to ensure the administration of quality grants to providers as specified. The bill would require collaborations to determine a means of making available the opportunity to participate in the program licensed family child care providers and licensed centers who do not serve subsidized children, as specified. This bill would require the department to conduct up to 4 pilot programs with 4 collaborations in certain areas; to assess the pilot programs prior to March 1, 2011; to reconvene the task force prior to January 1, 2012, and present the assessment to it; and, if it the department chooses, make recommendations to the Legislature pursuant to those pilot programs.~~

The bill would require that specified providers receive a base reimbursement rate at the 50th percentile of the regional market rate, as specified, or the minimum base rate, for a specified provider that does not participate in the program. This bill would provide enhanced reimbursement rates to participating providers, as specified, that are not less than the 85th percentile of the regional market rate survey. This bill would prohibit a license-exempt provider from receiving the amount of reimbursement a licensed child care center or licensed family child care center is reimbursed for the same amount and kind of care. The bill would prohibit a license-exempt provider from being reimbursed for more than 6-subsidized children in their care at any one time.

The bill would require the department to identify, in consultation with a specified task force, the means by which a parent can access information about the quality of care provided by providers participating in the program.

Existing law provides employees of public schools with the right to be represented in specific matters, including terms and conditions of employment.

This bill would permit family child care providers, as defined, to choose whether to be represented by a single provider organization, as defined, that would be selected pursuant to a specified petition and election process. The bill would state the intent of the Legislature that the state action exemption to the application of federal and state antitrust laws be fully available to the extent that the activities of the family child care providers and their representatives are authorized under this article.

The bill would permit the chosen provider organization to market family child care programs; operate substitute child care provider pools and offer business development programs for family child care providers; meet with state regulatory agencies, as specified; and engage in various types of negotiation with public and private entities that administer state-funded subsidies for child care services, as specified. The bill would state that the designation of a representative of the family child care providers, as specified, does not prevent the designated provider organization or any other organization or individual from appearing before, or making proposals to, the department at a public meeting or hearing, or at any other department forum. The bill would prohibit a provider organization from calling a strike and would prohibit the state and provider organizations from

interfering with, intimidating, restraining, coercing, or discriminating against any family child care provider because of the exercise of the rights of the family child care provider to join or refuse to join a provider organization.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. (a) The Legislature finds and declares all of the  
2 following:  
3 (1) (A) There is inadequate information about the supply and  
4 demand of child care for California families making it difficult  
5 for the Legislature to cost-effectively fund child care programs  
6 that help working families. The state invests billions of dollars in  
7 subsidized child care payments for millions of children each year  
8 and currently these payments are not related to the quality of the  
9 care children receive.  
10 (B) In some instances, child care centers and family providers  
11 that meet greater criteria for the health, safety, and quality of the  
12 program offered to children in their care may be reimbursed at  
13 lower rates than those centers or family child care homes that do  
14 not.  
15 (C) Child care centers required to meet the highest standards  
16 are insufficiently funded to stay viable and many child care  
17 centers are choosing to forgo their participation in state  
18 subsidized child care programs, causing disruption to parents and  
19 communities, and further exacerbating the problems many  
20 parents have finding affordable and easily accessible child care.  
21 (2) There exists a patchwork of education and training  
22 programs that do not necessarily reflect the needs of the early  
23 care and education workforce and are not coordinated to provide  
24 clear expectations for staff competencies and career ladders that  
25 result in improved professionalism, retention, and stability in the  
26 field.  
27 (3) It is necessary to enact legislation to improve access to and  
28 stability of quality child care through providing collective  
29 activities and other representation rights to family child care  
30 providers and to provide quality enhancements in the

1 reimbursement rates received by providers who participate in the  
2 subsidy program of the state.

3 (4) There is a need to improve quality of child care and to  
4 reduce turnover in the industry that is charged with providing  
5 safe and quality care for children in California. The industry  
6 suffers from low wages and a lack of benefits for child care  
7 providers that is causing high turnover among child care  
8 providers. High turnover among providers means that many  
9 children are not receiving the type of care they need to be  
10 prepared for successful adaptation to school settings.

11 (5) (A) The family child care delivery system, in particular, is  
12 fragmented because each provider enters into individual contracts  
13 with agencies that administer payments for subsidized child care.  
14 This means family child care providers have little formal or  
15 collective input into the delivery of services that can improve the  
16 system. Family child care providers have no formal  
17 representation rights and are not covered by any law that grants  
18 them the right to collective action.

19 (B) In order to promote greater efficiency and stability in the  
20 child care system, it is necessary to enact legislation to provide  
21 family child care providers the right to formal representation and  
22 to enter into collective negotiations with public and private  
23 entities that administer public subsidy payments and the right to  
24 meet and confer over issues of mutual concern with regulatory  
25 agencies.

26 (b) It is the intent of the Legislature to do all of the following:

27 (1) Improve the overall provision of child care, so that the  
28 system is administered efficiently and maximum resources are  
29 spent on care for children and families.

30 (2) Ensure that families that are eligible for subsidized child  
31 care under the CalWORKs program and other child development  
32 programs and families who are outside the subsidized child care  
33 system retain access to child care and that access to high-quality  
34 child care programs is increased.

35 (3) Affirm and strengthen parental choice of child care and the  
36 infrastructure to support those choices.

37 (4) Consider the impact of any reforms on both unsubsidized  
38 and subsidized child care.

39 (5) Guarantee due process protections for families and child  
40 care providers.

1 (6) Ensure that public reimbursements for child care are linked  
2 to quality criteria; support the sustainability of quality child care  
3 centers; and transform the quality of the subsidized system by  
4 developing systems of support and accountability for the  
5 subsidized child care system, to be fully implemented by 2012,  
6 and to do so only with additional, newly appropriated,  
7 unrestricted state or federal funds.

8 (7) Ensure that any new, unrestricted state or federal funds that  
9 are appropriated for the subsidized child care system first be used  
10 to maintain current eligibility funding and then be balanced  
11 between incrementally increasing the number of subsidies  
12 available for eligible families and enhancements to quality care  
13 through the reimbursement rate reform of this act.

14 (8) Provide regular assessments to the Legislature of the  
15 supply, demand, and quality of subsidized and unsubsidized child  
16 care provided.

17 (9) Develop a plan that details the expectations of, and career  
18 advancement for, the child care workforce.

19 (10) Provides family child care providers the right to  
20 participate in collective activities for purposes of:

- 21 (A) Professional support and group benefits.  
22 (B) Encouraging retention and stability.  
23 (C) Providing an opportunity for formal input from family  
24 child care providers to improve the child care delivery system.

25 SEC. 2. Section 8203.1 is added to the Education Code, to  
26 read:

27 ~~8203.1. (a) On or before July 1, 2008, and every two years~~  
28 ~~thereafter, the Child Development Division of the State~~  
29 ~~Department of Education shall collect the information identified~~  
30 ~~in paragraphs (1) to (9), inclusive, aggregate and analyze the~~  
31 ~~information, and provide to the Superintendent a baseline~~  
32 ~~assessment of the supply and demand for subsidized and~~  
33 ~~unsubsidized child care. The assessment shall include, but not be~~  
34 ~~limited to, all of the following information:~~

35 ~~(1) The types of child care available from different types of~~  
36 ~~providers.~~

37 ~~(2) The cost of available child care, according to the regional~~  
38 ~~market rate analysis in use at that time.~~

39 ~~(3) The needs of families participating in CalWORKs, families~~  
40 ~~who formerly participated in CalWORKs that are still eligible for~~

1 ~~child care subsidies, and other low-income, working families~~  
2 ~~eligible for child care subsidies who remain on eligibility lists.~~

3 ~~(4) The needs of working families not eligible for child care~~  
4 ~~subsidies.~~

5 ~~(5) The availability and types of child care for those facing~~  
6 ~~barriers, including, but not limited to, infants, toddlers, children~~  
7 ~~with disabilities, and families who require nontraditional hours of~~  
8 ~~care.~~

9 ~~(6) The availability and types of child care for families who~~  
10 ~~may want or need linguistically appropriate child care.~~

11 ~~(7) Data on the diverse access challenges in rural and urban~~  
12 ~~communities.~~

13 ~~(8) The impacts of any universal preschool programs on the~~  
14 ~~supply of child care beyond preschool programs and on the~~  
15 ~~demand for, and availability of, full-day, year-round child care.~~

16 ~~(9) Findings related to the implementation of countywide~~  
17 ~~centralized eligibility lists pursuant to Section 8227.~~

18 *(a) On or before July 1, 2008, the task force established*  
19 *pursuant to Section 8203.2, or a subcommittee of the task force,*  
20 *shall provide to the Superintendent an assessment of, and*  
21 *recommendations for, improved data collection on the supply of*  
22 *and demand for subsidized and unsubsidized child care.*

23 (b) The assessment pursuant to subdivision (a) shall be based  
24 on extant data and shall utilize information gathered by resource  
25 and referral ~~agencies~~ *programs*, local child care planning  
26 councils, alternative payment ~~providers~~ *programs*, the University  
27 of California, and other entities. In addition, the State  
28 Department of Social Services is authorized to share information  
29 with the division to develop the assessment.

30 (c) The assessment pursuant to subdivision (a) shall identify  
31 gaps in information currently collected and include  
32 recommendations on the most effective manner of collecting  
33 ongoing information to ensure that the required assessments are  
34 provided efficiently and consistently and shall identify whether  
35 additional resources are required to collect necessary  
36 information.

37 (d) The State Department of Education shall regularly review  
38 its data collection methodologies to ensure that data are collected  
39 in a standardized manner from resource and referral ~~agencies~~



1 *programs, local child care planning councils, alternative payment*  
2 *providers programs, and other entities.*

3 (e) The assessment pursuant to subdivision (a) shall include ~~a~~  
4 ~~plan recommendations~~ for standardizing data collection and  
5 collecting data electronically. *The Superintendent and the State*  
6 *Department of Social Services, with the assistance of counties*  
7 *and alternative payment programs, shall collect data regarding*  
8 *license-exempt family child care homes similar to data collected*  
9 *by the department regarding licensees holding a community care*  
10 *license to provide child care in his or her residence, and make*  
11 *that data available to the Legislature, and upon request, to*  
12 *participating members of the task force established pursuant to*  
13 *Section 8203.2 and provider organizations as defined in*  
14 *subdivision (d) of Section 8431.*

15 ~~(f) (1) The State Department of Education shall hold public~~  
16 ~~hearings during the preparation of each assessment pursuant to~~  
17 ~~subdivision (a) to inform interested persons of the issues under~~  
18 ~~consideration, and to receive comment and feedback to be~~  
19 ~~incorporated into the recommendations of the Superintendent~~  
20 ~~pursuant to subdivision (h):~~

21 ~~(2) The information provided pursuant to this section shall be~~  
22 ~~used to develop the assessments pursuant to subdivisions (a) and~~  
23 ~~(h) and shall be made available to the public:~~

24 ~~(g) Any funds that are needed to conduct the assessment,~~  
25 ~~including the operation of the advisory group established~~  
26 ~~pursuant to paragraph (2) of subdivision (h) shall be appropriated~~  
27 ~~from the General Fund for this purpose in the annual Budget Act.~~

28 ~~(h) On or before March 1, 2009, and every two years~~  
29 ~~thereafter, the Superintendent shall use the assessment created~~  
30 ~~pursuant to subdivision (a) to prepare and provide to the~~  
31 ~~Legislature recommendations and an assessment concerning the~~  
32 ~~supply and demand for subsidized and unsubsidized child care:~~

33 ~~(1) The recommendations shall include multiyear options to~~  
34 ~~incrementally do all of the following:~~

35 ~~(A) Address the needs of families receiving child care~~  
36 ~~subsidies, including those families participating in CalWORKs.~~

37 ~~(B) Address the needs of low-income, working families~~  
38 ~~eligible for child care subsidies who remain on eligibility lists.~~

39 ~~(C) Address the needs of working families not eligible for~~  
40 ~~child care subsidies.~~

~~(D) Increase access to high-quality care for families facing child care barriers.~~

~~(E) Increase access to linguistically appropriate child care.~~

~~(F) Increase access to families in urban and rural areas, including farmworker and agricultural communities.~~

~~(2) The recommendations shall be developed in consultation with an advisory group that shall assist the Superintendent in developing the recommendations. The advisory group shall include representatives of all of the following:~~

~~(A) The State Department of Social Services.~~

~~(B) Parents of children receiving subsidized and unsubsidized child care.~~

~~(C) Various types of child care providers, including representatives of public and private subsidized and unsubsidized child care, part-day and full-day preschool programs, Head Start, the state preschool program, and center- and family-based child care.~~

~~(D) Experts in early child care and education, including, but not limited to, administrators, teachers, and academics with expertise in early childhood development and research.~~

~~(E) Child care support entities, including resource and referral agencies, alternative payment programs, local child care planning councils, and child care advocacy groups.~~

~~(F) Regional Market Rate Survey researchers, including existing and past researchers.~~

~~(G) Representatives of county human services agencies.~~

~~(3) To the extent that the recommendations include the use of new, unrestricted state or federal funds, the recommendations shall describe the manner in which to balance the goals of incrementally increasing access to subsidized care for eligible families and the manner in which to strengthen the quality of care through an improved rate system.~~

~~(f) On or before January 1, 2009, the Superintendent shall provide to the Legislature an assessment of, and recommendations for, improved data collection on the supply and demand for subsidized and unsubsidized child care.~~

SEC. 3. Section 8203.2 is added to the Education Code, to read:

8203.2. (a) The Child Development Division of the department, under the direction of the Superintendent, shall

1 convene a task force consisting of representatives from each of  
2 the following:

- 3 (1) The California Children and Families Commission.
- 4 (2) The office of the Chancellor of the California Community  
5 Colleges.
- 6 (3) The office of the President of the University of California.
- 7 (4) The office of the Chancellor of the California State  
8 University.
- 9 (5) The Commission on Teacher Credentialing.
- 10 (6) The Child Development Division of the State Department  
11 of Education.
- 12 (7) The California Child Care Resource and Referral Network.
- 13 (8) The State Department of Social Services.
- 14 (9) Parents of children in subsidized and unsubsidized child  
15 care center and family child care settings.
- 16 (10) Community-based programs that provide child care and  
17 development training.
- 18 (11) Private colleges providing child care and development  
19 training.
- 20 (12) Employee organizations that represent child care workers.
- 21 (13) Employee organizations that represent teachers.
- 22 (14) Providers of family child care services, including licensed  
23 and license-exempt providers and providers from nonsectarian  
24 and faith-based child care programs, and center-based teachers.
- 25 (15) Early child care and education experts, including experts  
26 on children with special needs.
- 27 (16) Child care center administrators, including part-day  
28 programs, Head Start, and the state preschool program.
- 29 (17) Local child care planning councils.
- 30 (18) Local First 5 commissions.
- 31 (19) Statewide child development professional associations.
- 32 (20) A representative of the California Alternative Payment  
33 Program Association.
- 34 (21) A representative of the County Welfare Directors  
35 Association of California.
- 36 (b) Task force participants shall serve without pay or  
37 compensation.
- 38 (c) The task force shall operate in a manner that encourages  
39 input and participation from the public.

1 (d) The task force shall conduct at least one public hearing  
2 prior to submitting the plan required pursuant to subdivision (e).

3 ~~(e) On or before January 1, 2008, the task force shall develop~~  
4 ~~and submit to the Legislature and to the Superintendent a Child~~  
5 ~~Care and Development Workforce Development Plan that~~  
6 ~~includes recommendations on all of the following issues:~~

7 ~~(1) Clear expectations for staff competencies and requirements~~  
8 ~~for each level of regulation for subsidized and unsubsidized child~~  
9 ~~care and development center- and home-based services.~~

10 ~~(2) Career ladders with links to teacher certification,~~  
11 ~~credentialing, and alternative professional development~~  
12 ~~programs.~~

13 ~~(3) A method for assessing current training programs offered~~  
14 ~~by public and private entities to ensure access to professional~~  
15 ~~development opportunities for direct care personnel in all settings~~  
16 ~~and from a variety of ethnic and linguistic backgrounds, so that~~  
17 ~~enrollees can meet the requirements of the career ladders.~~

18 ~~(4) Strategies for recruiting and retaining instructional staff~~  
19 ~~who reflect the ethnic, racial, linguistic, and cultural diversity of~~  
20 ~~California families.~~

21 ~~(5) A means for providing child care and development staff~~  
22 ~~with information regarding available training supports, including,~~  
23 ~~but not limited to, English-as-a-second-language training~~  
24 ~~opportunities and scholarship programs.~~

25 ~~(6) Determination of how to develop a prudent and efficient~~  
26 ~~registry of child care and development workers, to be the~~  
27 ~~repository of information about staff stability and professional~~  
28 ~~development, and to be used in the determination of qualification~~  
29 ~~for enhanced reimbursement.~~

30 ~~(7) Goals for raising qualifications of child care and~~  
31 ~~development providers, and a method to report to policymakers~~  
32 ~~the status of meeting those goals.~~

33 ~~(8) A procedure for assessing the impact of the plan, and~~  
34 ~~updating the plan, every five years.~~

35 ~~(9) Strategies for expanding access and funding for training~~  
36 ~~and staff development for providers of family child care services.~~

37 ~~(f) (1) On or before January 1, 2012, the State Department of~~  
38 ~~Education, under the direction of the Superintendent, shall~~  
39 ~~implement the Child Care and Development Workforce~~  
40 ~~Development Plan.~~

1 ~~(2) During implementation of the plan pursuant to paragraph~~  
2 ~~(1), the department shall submit an annual progress report to the~~  
3 ~~Legislature.~~

4 ~~(3) The department shall submit a progress report to the~~  
5 ~~Legislature every five years after implementation of the plan~~  
6 ~~pursuant to paragraph (1) is completed.~~

7 ~~(4) The Superintendent shall develop a procedure, based on~~  
8 ~~the recommendations of the task force, for assessing the impact~~  
9 ~~of the plan, and update the plan every five years.~~

10 ~~(5) The Superintendent shall develop, based on the~~  
11 ~~recommendations of the task force, a registry of child care and~~  
12 ~~development workers and family child care providers, to be the~~  
13 ~~repository of information about staff stability and professional~~  
14 ~~development, and to be used in the determination of~~  
15 ~~qualifications for enhanced reimbursement if so required and in~~  
16 ~~the determinations of family child care providers eligible for~~  
17 ~~representation, if necessary.~~

18 ~~(g) To the extent resources are required to implement the plan,~~  
19 ~~funds shall be appropriated in the annual Budget Act for this~~  
20 ~~purpose from the General Fund or from other state or federal~~  
21 ~~revenues appropriated for workforce development.~~

22 ~~(e) On or before January 1, 2008, the task force shall submit~~  
23 ~~to the Legislature and to the Superintendent findings and~~  
24 ~~recommendations regarding the workforce development of family~~  
25 ~~child care providers.~~

26 ~~(1) (A) The findings shall be based on a review of the~~  
27 ~~availability, accessibility, and appropriateness for family child~~  
28 ~~care providers of current workforce development activities~~  
29 ~~provided through federal, state, and local funds in California.~~

30 ~~(B) The findings shall identify gaps or shortcomings in current~~  
31 ~~workforce development activities provided for family child care~~  
32 ~~providers through federal and state funds in California.~~

33 ~~(2) The recommendations shall propose improvements in those~~  
34 ~~activities, including, but not limited to, their availability,~~  
35 ~~accessibility, and appropriateness for the family child care~~  
36 ~~workforce.~~

37 ~~(f) The Superintendent may direct the task force to also review~~  
38 ~~and report on the availability, accessibility, and appropriateness~~  
39 ~~for child care center owners, employees, and volunteers of~~

1 *current workforce development activities provided through state,*  
2 *federal, and local funds in California.*

3 *(g) The task force shall provide the Superintendent and the*  
4 *Legislature with an assessment of the feasibility, design, and cost*  
5 *to develop a registry of child care and development workers and*  
6 *family child care providers, to be a repository of information*  
7 *about staff stability, professional development, and substitute*  
8 *caregivers and that may be used in the determination of family*  
9 *child care providers eligible for representation, pursuant to*  
10 *Article 19.5 (commencing with Section 8430), if necessary.*

11 SEC. 4. Section 8273 is added to the Education Code, to read:

12 8273. (a) Effective July 1, 2007, and July 1 of each year  
13 thereafter, for purposes of this chapter, the cost-of-living  
14 adjustment (COLA) to the standard reimbursement rate paid to  
15 child care centers that meet the criteria of Title 5 of the  
16 California Code of Regulations shall be equal to the COLA used  
17 for revenue limits for kindergarten and grades 1 to 12, inclusive,  
18 school districts pursuant to subdivision (b) of Section 42238.1.

19 (b) Effective July 1, 2007, and each year thereafter until July  
20 1, 2011, for purposes of this chapter, the standard reimbursement  
21 rate shall be increased above the COLA specified in subdivision  
22 (a) by one-fifth of the total amount of the difference between the  
23 amount that would have been paid to the child care centers had  
24 the standard reimbursement rate been adjusted by the COLA  
25 used for revenue limits for kindergarten and grades 1 to 12,  
26 inclusive, school districts pursuant to subdivision (b) of Section  
27 42238.1 from 1986 to 2006, inclusive, and the standard  
28 reimbursement rate paid to child care centers from 1986 to 2006,  
29 inclusive. This adjustment shall not be included in the base rate  
30 upon which subdivision (a) is calculated.

31 SEC. 5. Article 16.25 (commencing with Section 8375) is  
32 added to Chapter 2 of Part 6 of the Education Code, to read:

33

34 Article 16.25. Partners in Quality Program

35

36 8375. The purpose of this article is to phase in reforms of the  
37 reimbursement system for state funded child care, to link  
38 enhanced reimbursements to quality criteria, and provide parents  
39 who utilize subsidized and unsubsidized child care with  
40 information on the quality of care available.

1 8376. (a) This article shall be known, and may be cited, as  
2 the Partners in Quality Program. The Partners in Quality Program  
3 is hereby established and shall be administered by the  
4 Superintendent.

5 (b) The program shall govern the establishment of  
6 reimbursements for publicly subsidized child care provided  
7 through the Alternative Payment Program pursuant to Article 3  
8 (commencing with Section 8220) and the Child Care for  
9 Recipients of the CalWORKs Program pursuant to Article 15.5  
10 (commencing with Section 8350). Child care centers and family  
11 child care providers may choose to participate in the Partners in  
12 Quality Program and get support towards meeting improved  
13 quality criteria and enhanced reimbursements if they do so. ~~This~~  
14 ~~section also provides for the Superintendent to contract with local~~  
15 ~~Partners In Quality Collaborations to implement the program at~~  
16 ~~the county or regional level.~~

17 (c) For purposes of this article, “program” means the Partners  
18 in Quality Program.

19 ~~(d) For purposes of this article, “collaboration” means a~~  
20 ~~Partners in Quality Collaboration established pursuant to Section~~  
21 ~~8378.~~

22 8377. On or before July 1, 2007, the Superintendent shall  
23 convene the task force specified in subdivision (a) of Section  
24 8203.2, and in consultation with it, shall do all of the following:

25 ~~(a) Develop criteria for enhancements to reimbursement rates~~  
26 ~~paid to child care centers and family child care providers who~~  
27 ~~choose to participate in the program. The establishment of~~  
28 ~~criteria to measure program quality shall provide graduated~~  
29 ~~opportunities for centers and family providers who choose to~~  
30 ~~participate in the program to satisfy the criteria. The quality~~  
31 ~~criteria may include, but not be limited to:~~

32 ~~(1) Basic health and safety standards for the child care setting~~  
33 ~~and for the child care staff and providers, which may include use~~  
34 ~~of the trustline registry, established pursuant to Chapter 3.35~~  
35 ~~(commencing with Section 1596.60) of Division 2 of the Health~~  
36 ~~and Safety Code, or licensing and criminal background checks.~~

37 ~~(2) Professional development, training, education, and related~~  
38 ~~early care and education professional development matrix~~  
39 ~~qualifications.~~

~~(3) Program quality standards identified in the Early Childhood Environment Rating Scale and the Family Day Care Rating Scale developed by the Frank Porter Graham (FPG) Child Development Institute, at benchmark levels determined appropriate.~~

~~(4) Quality work environments for staff, such as criteria that promote stability in the workforce, including, but not limited to, the provision of health benefits for direct care staff and their dependents, retirement plans, and leave days.~~

~~(5) Accommodations for those child care providers for whom English is not the primary language.~~

~~(b) Establish procedures to use to determine the manner in which to assess whether the participating centers and providers have met the criteria established pursuant to subdivision (a). These procedures shall be uniform across the state and shall be conducted by qualified, reliable assessors. The procedures for assessment shall factor in accommodations for those child care providers for whom English is not the primary language.~~

~~(c) Make recommendations to the Legislature for factor increases in reimbursement rates for participating child care centers and family providers who meet the criteria established pursuant to subdivision (a). The factor increases shall take into consideration research that supports the benefits of providing meaningful rate differentials in order to support an incremental approach to improving quality. A differential rate will be applied to participating providers who have been assessed and additional rate stipends for those who meet the quality criteria. Adjustment factors, to ensure adequate supply of quality weekend, evening, and off-hour care and care for special needs children, shall also be included in the reimbursement rate system, provided that the establishment of those factor increase recommendations conforms to other provisions in this chapter related to child care furnished at those nonstandard times.~~

~~(d) Conduct at least one public hearing prior to the establishment of the quality criteria, assessment procedures, and recommendations for enhanced reimbursements required pursuant to this section.~~

~~8378: (a) On or before January 31, 2008, subject to appropriation of funds for this purpose by the Legislature, the Superintendent shall issue contracts to begin implementation of~~



1 the program with the lead agencies selected by local Partners in  
2 Quality Collaborations.

3 ~~(b) A Partners in Quality Collaboration shall be comprised of~~  
4 ~~existing public or nonprofit local entities who choose to~~  
5 ~~participate in the collaboration, such as, but not limited to,~~  
6 ~~resource and referral agencies, local education agencies, local~~  
7 ~~planning councils, alternative payment agencies, county welfare~~  
8 ~~departments, provider organizations, and institutions of higher~~  
9 ~~learning that provide professional development for early care and~~  
10 ~~education teachers and staff.~~

11 ~~(c) Each collaboration shall develop a multiyear program to:~~

12 ~~(1) Help child care providers participating in the program meet~~  
13 ~~the state quality criteria established by the Superintendent~~  
14 ~~pursuant to subdivision (a) of Section 8377 and ensure the~~  
15 ~~implementation of the assessment of the criteria established~~  
16 ~~pursuant to subdivision (b) of Section 8377.~~

17 ~~(2) Establish a quality improvement plan for each participating~~  
18 ~~provider to assist the provider in meeting the criteria established~~  
19 ~~pursuant to subdivision (a) of Section 8377.~~

20 ~~(3) Identify or develop a team of assessors who shall become~~  
21 ~~reliable in conducting the environmental rating scale, identified~~  
22 ~~in paragraph (3) of subdivision (a) of Section 8377, assessment.~~

23 ~~(4) Identify or develop appropriate technical assistance~~  
24 ~~resources, including building upon those resources that already~~  
25 ~~exist in the county.~~

26 ~~(5) Ensure administration of quality grants to participating~~  
27 ~~providers based upon the needs identified for the participating~~  
28 ~~providers through their quality improvement plans.~~

29 ~~(6) Create systems to efficiently provide reliable information~~  
30 ~~to alternative payment agencies and county welfare departments~~  
31 ~~administering state CalWORKs and alternative payment child~~  
32 ~~care subsidies regarding the quality rate at which participating~~  
33 ~~providers qualify for reimbursement, according to the~~  
34 ~~reimbursement factors recommended by the Superintendent~~  
35 ~~pursuant to subdivision (c) of Section 8377 and established by~~  
36 ~~the Legislature.~~

37 ~~(d) Each collaboration shall identify a lead agency from~~  
38 ~~among the partnering entities who will assume primary~~  
39 ~~responsibility for contracting with the Superintendent and ensure~~  
40 ~~the overall administration of responsibilities of the collaboration.~~

- 1 The Superintendent shall require, at a minimum, that each  
2 collaboration:
- 3 (1) Identify the technical assistance and support to be provided  
4 to program participants to substantially improve quality of child  
5 care programs.
- 6 (2) Identify which entities will provide technical assistance  
7 and support.
- 8 (3) Specify the timeframes under which technical assistance  
9 and support will be provided to participating providers.
- 10 (4) Delineate how the program will be integrated at the local  
11 level to provide, as much as possible, a seamless integration with  
12 other, existing early childhood and education programs.
- 13 (5) Factor in accommodations for those child care center staff  
14 and family providers for whom English is not the primary  
15 language, who provide care at nontraditional hours, or who have  
16 other barriers that may preclude them from being able to  
17 participate in the program or meet the quality criteria.
- 18 (6) Identify the manner in which to work with program  
19 participants to have initial assessments conducted and the manner  
20 in which to work with participants to jointly develop individual  
21 quality improvement plans based on their assessment.
- 22 (e) Each county shall be funded for one collaboration, or  
23 multiple counties may join together to submit a regional plan.  
24 However, the Superintendent shall not contract, pursuant to  
25 subdivision (a), with subcounty collaborations unless special  
26 circumstances require it and the Superintendent determines that  
27 contracting at a subcounty level is necessary to meet the goals of  
28 this article.
- 29 (f) Collaborations also shall determine a means of making  
30 available the opportunity to participate in the program to licensed  
31 family child care providers and licensed centers who do not serve  
32 subsidized children, though some fees may be charged by the  
33 collaborations or their participating agencies to the provider  
34 based on the cost of assessment and verification of other quality  
35 criteria.
- 36 (a) Review the regulations contained within Title 5 of the  
37 California Code of Regulations as they pertain to child care  
38 centers and family child care homes, identifying those  
39 regulations that add quality components to programs beyond the

1 *basic health and safety requirements of Title 22 of the California*  
2 *Code of Regulations for child care licensing.*

3 *(b) Develop a checklist of quality indicators for child care*  
4 *centers and family child care homes interested in participating in*  
5 *the program.*

6 *(c) Recommend a cost-effective process for the Superintendent*  
7 *to use to determine if child care centers and family child care*  
8 *homes interested in participating in the program meet the*  
9 *requirements.*

10 8379.

11 8378. (a) On or before July 1, 2012, child care centers and  
12 family child care homes receiving payments for care provided  
13 under the Alternative Payment Program pursuant to Article 3  
14 (commencing with Section 8220) and the Child Care for  
15 Recipients of the CalWORKs Program pursuant to Article 15.5  
16 (commencing with Section 8350) shall receive, at a minimum, a  
17 base reimbursement rate that shall be equal to the 50th percentile  
18 of the regional market rate for the setting in which the care is  
19 provided and the age of the child, according to the regional  
20 market rate survey available at that time.

21 (b) Providers who care for children in the Alternative Payment  
22 Program pursuant to Article 3 (commencing with Section 8220)  
23 and the Child Care for Recipients of the CalWORKs Program  
24 pursuant to Article 15.5 (commencing with Section 8350) who  
25 choose not to participate in the program shall receive the  
26 minimum base reimbursement rate.

27 (c) (1) Enhanced reimbursements above the minimum base  
28 rate shall be paid to child care providers who participate in the  
29 program ~~according to the reimbursement factors established for~~  
30 ~~meeting quality criteria and meet the quality indicators~~  
31 *established* pursuant to subdivision ~~(e)~~ (b) of Section 8377  
32 provided, however, that no licensed child care center or family  
33 provider who participates in the program shall receive a  
34 reimbursement less than the 85th percentile of the regional  
35 market rate survey available at that time.

36 (2) The reimbursement rate for a license-exempt provider shall  
37 never exceed the amount that a licensed child care center or  
38 licensed family child care center is reimbursed for the same  
39 amount and kind of care.

(3) A license-exempt provider, whether it participates in the program or not, shall not be reimbursed for more than six subsidized children in its care at any one time.

~~8380.~~

8379. (a) Prior to January 1, 2008, and subject to an appropriation by the Legislature for purposes of this section, the State Department of Education shall conduct *up to four* pilot programs ~~with up to four collaborations~~ to test options for employing quality systems to implement subdivision (a) of Section 8378 ~~and subdivision (a) of Section 8379, provided that the collaborations participating in the pilot program include one each from a, provided that each pilot program occurs in a different one of the following types of counties or regions: rural, urban, northern, and southern county or region.~~

(b) The department also shall do all of the following:

(1) Prior to March 1, 2011, conduct an assessment of the pilot programs operated pursuant to subdivision (a).

(2) Prior to January 1, 2012, reconvene the task force specified in subdivision (a) of Section 8203.2.

(3) Present the assessment developed pursuant to paragraph (1) to the task force reconvened pursuant to paragraph (2) for advice and consultation.

(4) If it so chooses, make recommendations for changes to the program to the Legislature concurrent with the recommendations about child care that are required to be made by the Superintendent pursuant to subdivision ~~(h)~~ (f) of Section 8203.1. However, the department shall conduct at least one public hearing prior to making any recommendations for changes to the program, pursuant to this paragraph, to the Legislature.

~~8381.~~

8380. On or before January 1, 2012, the State Department of Education shall identify, in consultation with the task force created pursuant to Section 8203.2, the means by which parents can access information about the quality of care provided by providers participating in the program. Those means may include, but not be limited to, ~~utilizing the registry to be created under paragraph (5) of subdivisions (f) of Section 8203.2, collaborations, or resource and referral agencies programs,~~ provided that adequate funding is made available by the Legislature to do so and that the access to information is

1 consistent throughout the state and that the information is easy  
2 for parents to understand.

3 SEC. 5. Article 19.5 (commencing with Section 8430) is  
4 added to Chapter 2 of Part 6 of the Education Code, to read:

5  
6 Article 19.5. Family Child Care Provider Representation  
7

8 8430. The purpose of this article is to authorize family child  
9 care providers to select a provider organization for specified  
10 purposes.

11 8430.5. It is the intent of the Legislature that the state action  
12 exemption to the application of federal and state antitrust laws be  
13 fully available to the extent that the activities of the family child  
14 care providers and their representatives are authorized under this  
15 article.

16 8431. In this article, the following terms shall have the  
17 following meanings, unless the context requires otherwise:

18 (a) “Family child care provider” or “provider” means either of  
19 the following:

20 (1) An individual who provides care in a family child care  
21 home and meets state licensing requirements.

22 (2) An individual who does both of the following:

23 (A) Provides care in a family child care home that is exempt  
24 from the licensing requirements.

25 (B) Participates in a subsidy program provided for in the  
26 Alternative Payment Program pursuant to Article 3 (commencing  
27 with Section 8220) or the Child Care for Recipients of the  
28 CalWORKs Program pursuant to Article 15.5 (commencing with  
29 Section 8350).

30 (b) “Negotiating representative” means the provider  
31 organization that providers may designate, in accordance with the  
32 provisions of this article, to be the exclusive representative of all  
33 providers in the state.

34 (c) “Subsidy program” means state funded programs  
35 *administered by the State Department of Education and the State*  
36 *Department of Social Services* to assist families in purchasing  
37 child care, including, but not limited to, those provided for in  
38 Article 3 (commencing with Section 8220) and Article 15.5  
39 (commencing with Section 8350).

1 (d) “Provider organization” means an organization to which  
2 both of the following apply:

3 (1) Includes family child care providers.

4 (2) Has as one of its main purposes the representation of  
5 family child care providers with public and private entities in the  
6 state.

7 8431.5. (a) On January 1, 2007, family child care providers  
8 that meet the definition of paragraph (1) of subdivision (a) of  
9 Section 8431 may form, join, and participate in the activities of  
10 provider organizations of their own choice for the purpose of  
11 being represented on all matters specified in Section 8434.5.

12 ~~(b) Commencing on the date in which the State Department of~~  
13 ~~Education, under the direction of the Superintendent, implements~~  
14 ~~the Child Care and Development Workforce Development Plan~~  
15 ~~pursuant to subdivision (f) of Section 8203.2 ----, family child~~  
16 ~~care providers who meet the definition of paragraph (2) of~~  
17 ~~subdivision (a) of Section 8431 may form, join, and participate in~~  
18 ~~the activities of provider organizations of their own choice for~~  
19 ~~the purposes~~ *purpose* ~~of being represented on all matters~~  
20 ~~specified in Section 8434.5.~~

21 (c) A family child care provider may refuse to join or  
22 participate in the activities of provider organizations.

23 8432. (a) Family child care providers may designate, in  
24 accordance with the provisions of this article, which provider  
25 organization, if any, shall be the negotiating representative of all  
26 providers in the state.

27 (b) There may be only one statewide unit that includes all  
28 providers.

29 (c) Notwithstanding subdivision (b), ~~commencing on the date~~  
30 ~~in which the State Department of Education, under the direction~~  
31 ~~of the Superintendent, implements the Child Care and~~  
32 ~~Development Workforce Development Plan pursuant to~~  
33 ~~subdivision (f) of Section 8203.2 ----, family child care providers~~  
34 ~~who meet the requirements of paragraph (2) of subdivision (a) of~~  
35 ~~Section 8431 may designate, in accordance with the provisions of~~  
36 ~~this article, a negotiating representative of all providers who meet~~  
37 ~~the requirements of paragraph (2) of subdivision (a) of Section~~  
38 ~~8431. After that time, there may be only one statewide unit~~  
39 ~~selected by family child care providers in accordance with the~~  
40 ~~provisions of this article.~~

8432.5. (a) If a provider organization petitions the State Department of Education to serve as the negotiating representative for all family child care providers, with written authorization to serve as the negotiating representative from at least 30 percent of the total number of providers in the unit as of January 1 of the year in which the petition is made, this petition is a request for recognition as representative of all providers in the unit.

(b) If more than one provider organization petitions to serve as the negotiating representative for all family child care providers and each petitioning organization has written authorization to serve as the negotiating representative from at least 30 percent of the total number of providers in the unit as of January 1 of the year in which the petition is filed, an election shall be held within 90 days of the day on which the second petition is filed in which the providers in the unit shall be offered the opportunity to choose between:

(1) One of the provider organizations *to serve* as the negotiating representative of all providers in the unit.

(2) No representation.

(c) If only one provider organization petitions to serve as the negotiating representative for all family child care providers with written authorization to serve as the negotiating representative from at least 30 percent of the total number of family child care providers in the unit, pursuant to subdivision (a), the petitioning provider organization may request that an election be held. The election shall be held and the ballot shall offer a choice between:

(1) Representation by the provider organization.

(2) No representation.

~~The State Department of Education~~ *department* shall designate the provider organization described in subdivision (a) as representative of all providers in the specified unit if all of the following are true:

(1) No other provider organization petitions to serve as the negotiating representative for all family child care providers with written authorization to serve as the negotiating representative from at least 30 percent of the total number of providers in the unit.

(2) The provider organization does not request an election under subdivision (c).

(3) The provider organization petitions the department with written authorization to serve as the negotiating representative from the majority of the providers in the unit.

(e) (1) On receipt of any and all petitions requesting recognition under this section, the ~~State Department of Education~~ *Public Employment Relations Board, established pursuant to Section 3541 of the Government Code*, shall request an organization with experience in conducting elections for representation to do both of the following:

(A) Verify the number of family child care providers who have authorized a provider organization on the date of the petition requesting recognition.

(B) Hold elections under this section, if applicable, and verify their results.

(2) The elections shall be held in a manner assuring the secrecy of the ballot.

(3) (A) The costs of verifying the number of family child care providers who have authorized the selection of a provider organization shall be paid by the provider organization that submits the petition for verification.

(B) (i) The costs of the election shall be equally shared by each provider organization placed on the ballot.

(ii) If only one provider organization is placed on the ballot, the provider organization shall pay all costs of the election.

(4) (A) Subject to subparagraph (B), in any election held under this section, the provider organization that receives the largest number of votes cast in a unit shall be designated to be the exclusive negotiating representative of all family child care providers in the unit.

(B) If the largest number of votes in the election is cast for the choice of no representation, a provider organization shall not be designated to represent the unit.

8433. (a) (1) The initial designation of a representative pursuant to subdivision (d) or subparagraph (A) of paragraph (4) of subdivision (e) of Section 8432.5 shall be for two or more years.

(2) After this initial period, the designated provider organization shall continue to be the representative until another election is held.



1 (b) (1) An election after the initial period of representation  
2 may be held if both of the following are true:

3 (A) Only after the end of the two-year period.

4 (B) If a petition signed by more than 30 percent of the family  
5 child care providers in the unit is provided to the State  
6 Department of Education.

7 (2) This election shall be held in the same manner as provided  
8 in Section 8432.5.

9 (3) The election shall be held no later than 90 days after the  
10 signatures on the petition that has been submitted to the ~~State~~  
11 ~~Department of Education~~ *department* have been verified pursuant  
12 to subparagraph (A) of paragraph (1) of subdivision (e) of  
13 Section 8432.5.

14 8433.5. (a) A provider organization designated as the  
15 representative of the family child care providers pursuant to  
16 subdivision (d) or subparagraph (A) of paragraph (4) of  
17 subdivision (e) of Section 8432.5 shall be the negotiating  
18 representative of all providers for purposes designated in Section  
19 8434.5.

20 (b) A provider organization designated as the negotiating  
21 representative shall represent all family child care providers in  
22 the unit fairly and without discrimination and without regard to  
23 whether the providers are members of the provider organization.

24 (c) (1) The provider organization, as the representative of  
25 family child care providers in the unit, may charge a reasonable  
26 service or representation fee to nonmembers for representing  
27 them in negotiations, contract administration, and other activities  
28 pursuant to subdivision (b).

29 (2) The service or representation fee may not exceed the  
30 annual dues of the members of the provider organization.

31 (3) The provider organization may negotiate with any public  
32 or private entity designated in Section 8434.5 to voluntarily  
33 deduct membership dues and any service fees from payments  
34 made to providers and remit the fees monthly to the provider  
35 organization.

36 (d) *A provider organization designated as the negotiating*  
37 *representative shall be provided with an updated list of eligible*  
38 *providers in the unit on January 1 of each year to permit*  
39 *effective representation by the negotiating representative.*

40 8434. A provider organization may not call or direct a strike.

1 8434.5. A provider organization of family child care  
2 providers shall have the right to do at least all of the following:

3 (a) Market family child care programs.

4 (b) Operate substitute provider pools and offer business  
5 development programs for family child care providers, provided  
6 that pools and programs are not already being operated or  
7 provided in the community.

8 (c) (1) ~~Meet-Consult~~ at least once a year with state agencies  
9 that regulate the licensing of family child care providers,  
10 including, but not limited to, the State Department of Social  
11 Services, to identify areas of common concern and to improve  
12 consistency in enforcement of regulations affecting licensed  
13 family child care providers.

14 (2) On request of the representative of the providers, the  
15 regulatory agency shall meet and confer with the provider  
16 organization for the purpose of engaging in joint discussion of  
17 proposed rules and regulations governing family child care  
18 providers prior to the promulgation of such rules and regulations.

19 (3) However, the provider organization and the state  
20 regulatory agency with which it meets and confers under this  
21 subdivision may not negotiate any matter that is precluded by  
22 applicable statutory law.

23 (d) (1) ~~On request of the representative of the providers~~ *Upon*  
24 *request by a provider organization*, representatives of any public  
25 or private entity that administers state-funded subsidies for child  
26 care services, including, but not limited to, the State Department  
27 of Education and its contractors, shall meet with the provider  
28 organization to negotiate a written agreement that would apply to  
29 all providers who receive subsidies from that public or private  
30 entity.

31 (2) Upon written request by a provider organization to the  
32 public or private entity, the parties shall meet and bargain in  
33 good faith over issues that are within the authority of the entity.  
34 The parties are authorized to negotiate the frequency of and  
35 processes by which they will undertake ongoing  
36 communications.

37 (3) To promote efficiency, the parties are authorized, if  
38 mutually agreed upon by all parties, to negotiate collectively with  
39 more than one public or private entity that receives or  
40 administers state-funded public subsidies for child care services

1 and to negotiate a written agreement that would apply to all  
2 parties involved.

3 (4) The agreements made under this subdivision may provide  
4 for binding arbitration of the grievances arising under the  
5 agreement that the parties have agreed to be subject to  
6 arbitration. Upon written request of either party, the California  
7 State Mediation and Conciliation Service shall appoint a  
8 mediator to assist the parties in reaching an agreement.

9 (5) If the terms or conditions agreed on by the parties to the  
10 negotiations would require modification of existing regulations,  
11 the terms may not become effective until the modifications have  
12 been made by the relevant department and have taken effect in  
13 accordance with Chapter 3.5 (commencing with Section 11340)  
14 of Part 1 of Division 3 of the Government Code.

15 (6) Any agreement negotiated by these parties must be  
16 submitted to the State Department of Education and shall not  
17 become effective unless the department certifies that it is in the  
18 interest of providers and families.

19 (7) (A) This subdivision does not authorize negotiations over  
20 parent fee levels or regulatory procedures that are set by the state  
21 and does not authorize negotiations over the amount of payments  
22 or subsidized reimbursement rates or payment levels in excess of  
23 the amount of state authorized reimbursement rates.

24 (B) However, the provider organization can enter into  
25 agreements with public and private entities ~~designated as lead~~  
26 ~~agencies in collaborations authorized in Section 8378 regarding~~  
27 ~~family child care provider participation in the Partners in Quality~~  
28 ~~Program pursuant to Article 16.25 (commencing with Section~~  
29 ~~8375) and regarding the enhanced reimbursements available to~~  
30 ~~participating providers~~ *providers participating in the Partners in*  
31 *Quality Program pursuant to Article 16.25 (commencing with*  
32 *Section 8375).*

33 (8) The ~~provider organizations~~ *organization* and the public or  
34 private entities with which it negotiates under this subdivision  
35 may not negotiate any matter that is precluded by applicable  
36 statutory law.

37 8435. The designation of a representative of the family child  
38 care providers pursuant to this article does not prevent the  
39 designated provider organization or any other organization or  
40 individual from appearing before, or making proposals to, the

1 State Department of Education at a public meeting or hearing, or  
2 at any other department forum.

3 8435.5. (a) The state and provider organizations may not  
4 interfere with, intimidate, restrain, coerce, or discriminate against  
5 any family child care provider because of the exercise of the  
6 rights of the family child care provider to join or refuse to join a  
7 provider organization.

8 (b) For purposes of this section, “state” means all of the  
9 following:

10 (1) A unit of the state.

11 (2) An employee of the state.

12 (3) A contractor or subcontractor employed by the state.

13 8436. This article does not make family child care providers  
14 employees of the state for any purpose and these providers shall  
15 remain self-employed for all purposes.